

State of South Dakota

EIGHTY-FIRST SESSION LEGISLATIVE ASSEMBLY, 2006

994M0134

SENATE BILL NO. 154

Introduced by: Senators Earley, Apa, Bartling, Gant, Greenfield, Napoli, Smidt, and Sutton
(Duane) and Representatives Klaudt, Dennert, Haverly, Hunhoff, Peters, and
Rausch

1 FOR AN ACT ENTITLED, An Act to revise the distribution from certain constitutionally
2 created trust funds and to declare an emergency.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 4-5-29.1 be amended to read as follows:

5 4-5-29.1. Pursuant to S.D. Const., Art. XII, § 5, the state investment officer shall determine
6 the market value of the health care trust fund as of December 31, 2003, and each calendar year
7 thereafter less the investment expenses transferred pursuant to § 4-5-30. The state investment
8 officer shall calculate an amount equal to four percent of that market value, without invading
9 principal, as eligible for distribution. For the purpose of this section, the term, principal, means
10 the sum of all contributions to the fund. Beginning with the distribution in fiscal year ~~2007~~
11 2008, the market value shall be determined by adding the market value of the trust fund at the
12 end of the sixteen most recent calendar quarters as of December thirty-first, and dividing the
13 sum by sixteen. Upon notice of that amount by the state investment officer, the state treasurer
14 shall transfer the amount from the health care trust fund to the state general fund as soon as
15 practicable after July first of the next fiscal year.



1 Section 2. That § 4-5-29.2 be amended to read as follows:

2 4-5-29.2. Pursuant to S.D. Const., Art. XII, § 6, the state investment officer shall determine
3 the market value of the education enhancement trust fund as of December 31, 2003, and each
4 calendar year thereafter less the investment expenses transferred pursuant to § 4-5-30. The state
5 investment officer shall calculate an amount equal to four percent of that market value, without
6 invading principal, as eligible for distribution. For the purpose of this section, the term,
7 principal, means the sum of all contributions to the fund. Beginning with the distribution in
8 fiscal year ~~2007~~ 2008, the market value shall be determined by adding the market value of the
9 trust fund at the end of the sixteen most recent calendar quarters as of December thirty-first, and
10 dividing the sum by sixteen. Upon notice of that amount by the state investment officer, the state
11 treasurer shall transfer the amount from the education enhancement trust fund to the state
12 general fund as soon as practicable after July first of the next fiscal year.

13 Section 3. Whereas, this Act is necessary for the support of the state government and its
14 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
15 full force and effect from and after its passage and approval.